



Precision Custom Components, LLC

**Blue Ribbon Commission on
America's Nuclear Future
Subcommittee on Reactor and Fuel Cycle
Technology**

August 31, 2010

Perspective from PCC



- Located in York, PA
- Original “Rickover Supplier”
- First Reactor Internals
- 275 Teammates, including IAMAW
- Current Projects Include AP1000 Components for China and U.S. Plants
- Customer Base Includes Commercial Nuclear, Other Energy Markets, DOD/DOE/NASA



Directed Comments



- Adequacy of U.S. labor force, manufacturing capability and capacity, and engineering talent:
 - current levels
 - expansion of nuclear power

- Government actions required to support options



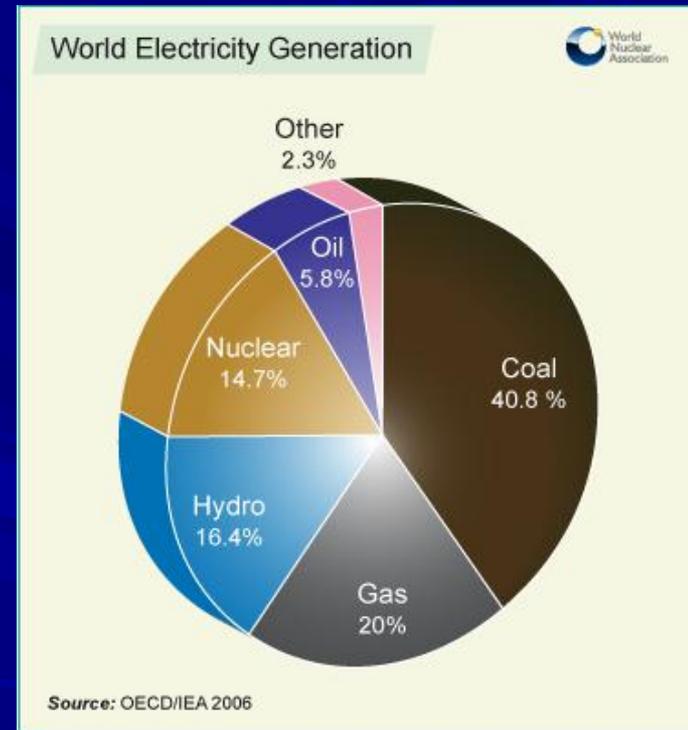
How Can Electricity Demand Be Met?

Increasing Electricity Demand:

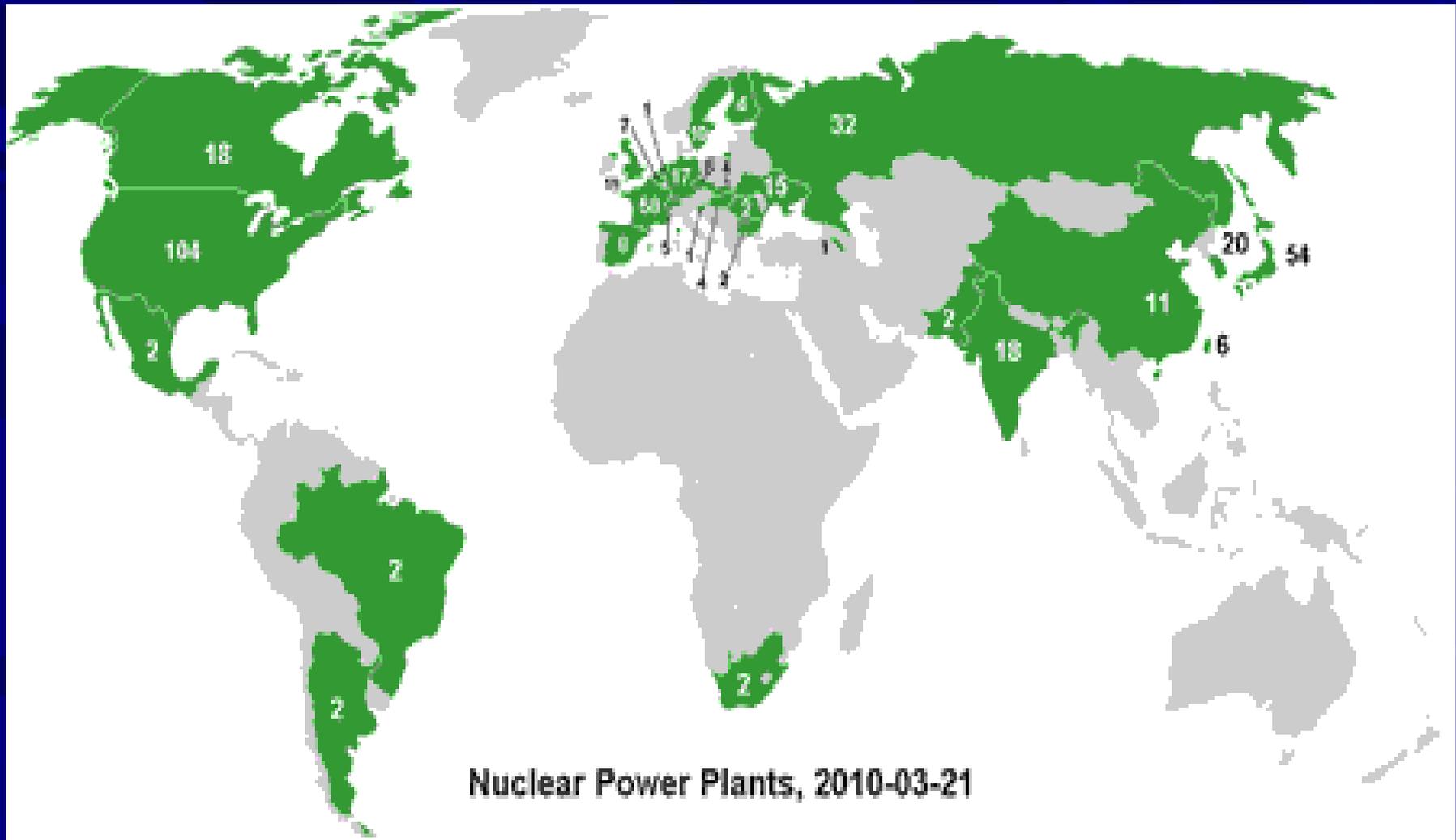
- ... Means More Baseload Generation
- ... Even with Renewables, Conservation
- ... Add in Fuel Price Volatility

■ Factor in Carbon Emissions

■ And It Makes the Case for Nuclear

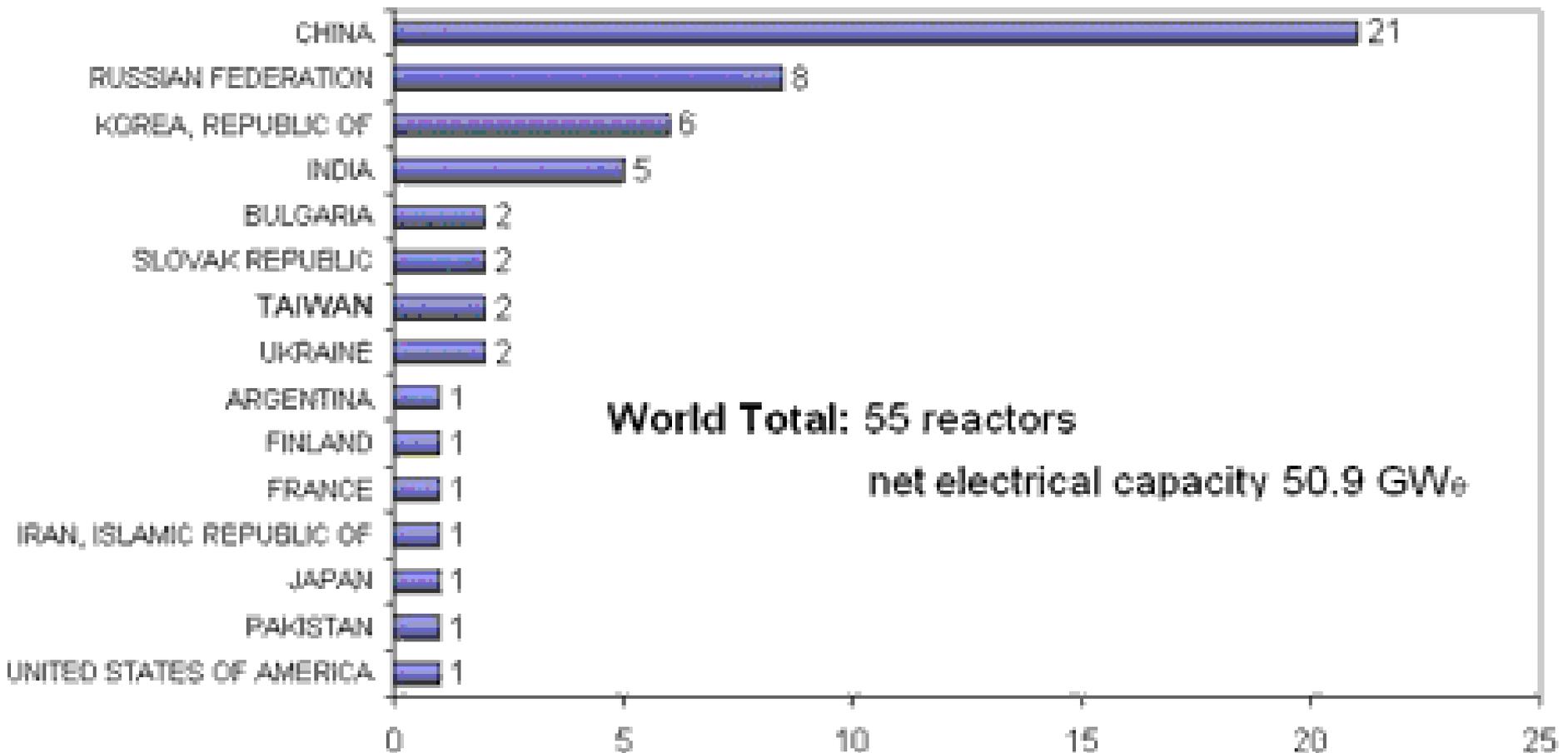


Nuclear Power Is Accepted Everywhere (Almost)



The Rest of the World Thinks So ...

Number of Reactors under Construction Worldwide



So Where is This Headed ?

- Key Drivers: Electricity Demand, Climate Change Issue, Conservation, Financing, Renewables, Spent Fuel, Transmission Grid Capacity, Public Perception
- Pending Legislation/Regulations Would Require 96 GW of New U.S. Nuclear Generation Capacity by 2030
- That's 69 **NEW** Reactors in the U.S.
- Plus Planned or Proposed*:
 - 154 in China
 - 60 in India
 - 193 Elsewhere

Resource Outlook



Adequacy of U.S. labor force & engineering:

- current levels
- expansion of nuclear power
- Backdrop: 1950's
- PCC staff: 275 today vs. 850 early 1990's
- Apprenticeships & Other Training Programs
- New Grads (not just nuclear disciplines)
- Caution: 2007 vs. 2010



Resource Outlook (cont'd)



Photo Courtesy of AREVA



U.S. manufacturing capability and capacity:

- current levels
- expansion of nuclear power

➤ Capability

- Ultra-heavy forgings: Japan, Korea, China, India, Russia, France, UK
 - Reactor Vessels, Heads, Steam Generators, Turbine Shafts
 - U.S.: Make vs. Buy
 - Announced and unannounced plans
 - Where is the Market?
- Balance of Components: Capability AND Capacity Available
 - Some capacity has been built “ahead” of the Renaissance
 - 30% increase in ASME “N” stamps



➤ Caution: 2007 vs. 2010



Government Actions



- Expansion of Loan Guarantees for Nuclear Plant Construction
 - Drive demand: “build it and they will come”
 - ID and mitigate budget and schedule risks
- Continue Support of Navy Nuclear and Shipbuilding Programs, DOE Programs
 - Common supplier base, capabilities, academic opportunities
- Facilitate Investment in Plant, Equipment, People
 - Investment Tax Credits
 - Training Incentives
- Trade Policy
 - Assure level playing field: exports and imports





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Thank you

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